Scotty

The House of

Mr. Speaker: I am instructed by the Senate to inform the House of

Representatives that the Senate has taken up and passed

55 5C5 HC5 HB 1563

_entitled:

AN ACT

To repeal sections 195.060, 195.080, 334.104, 334.747, 337.300, 337.305, 337.310, 337.315, 337.325, 337.345, 338.315, 338.333, and 660.315, RSMo, and to enact in lieu thereof fifteen new sections relating to healthcare services, with a penalty provision and an emergency clause for a certain section.

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EC. ADOPTED

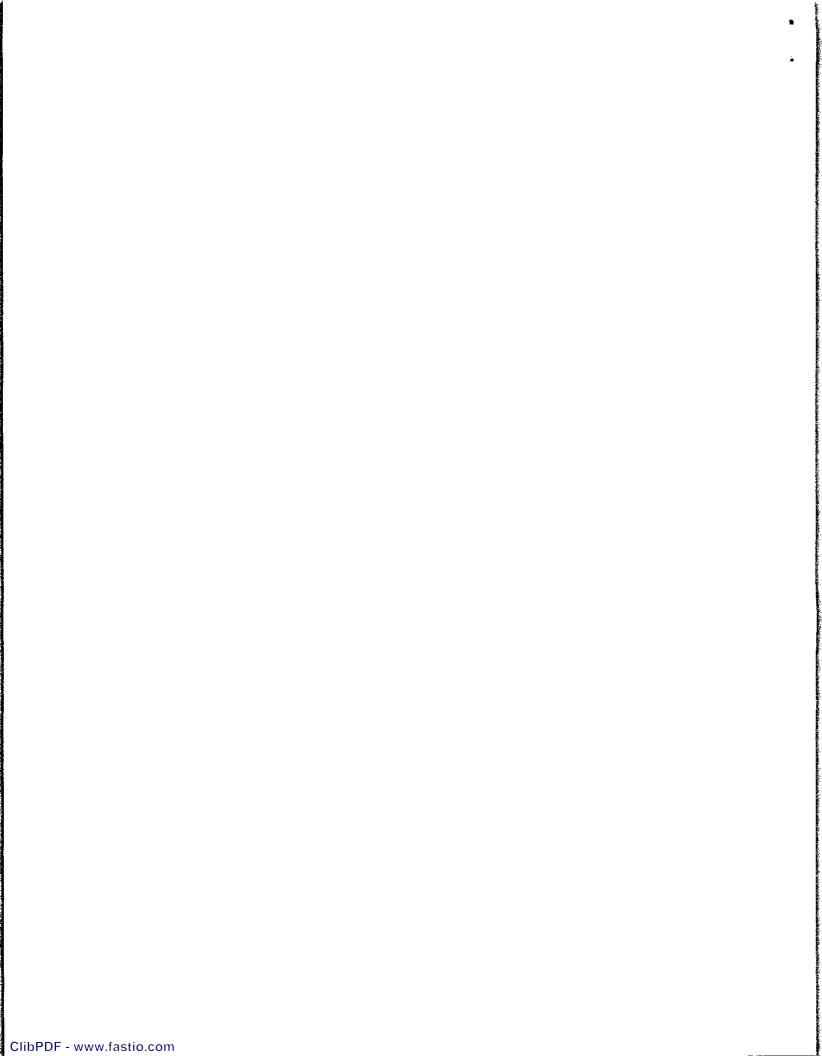
In which the concurrence of the House is respectfully requested.

Respectfully,

Terry L. Spieler

Secretary of the Senate

MAY 14 2012



SENATE AMENDMENT NO. _/

| | offered by Schaufer of Boone |
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| | of Scharfer of Scone Amend Scharfer of Scone Amend Scharfer of Scone Amend Scone Amend Scone Bill No. 1563 , Page 5 , Section 338.315 , Line 28 , 75 |
| 2 | by inserting after all of said line the following: |
| 3 | "338.320. 1. There is hereby established the "Missouri |
| 4 | Electronic Prior Authorization Committee" in order to facilitate, |
| 5 | monitor, and report to the general assembly on Missouri-based |
| 6 | efforts to contribute to the establishment of national electronic |
| 7 | prior authorization standards. Such efforts shall include the |
| 8 | Missouri-based electronic prior authorization pilot program |
| 9 | established under subsection 5 of this section and the study and |
| 10 | dissemination of information by the committee of the efforts of |
| 11 | the National Council on Prescription Drug Programs (NCPDP) to |
| 12 | develop national electronic prior authorization standards. The |
| 13 | committee shall advise the general assembly and the department of |
| L4 | insurance, financial institutions and professional registration |
| L5 | as to whether there is a need for administrative rules to be |
| L6 | promulgated by the department of insurance, financial |
| L7 | institutions and professional registration as soon as practically |
| L8 | possible. |
| L9 | 2. The Missouri electronic prior authorization committee |
| 30 | shall consist of the following members: |
| 11 | (1) Two members of the senate, appointed by the president |
| 22 | pro tempore of the senate; |

adopted 5-14-12

| 1 | (2) Two members of the house of representatives, appointed |
|----|--|
| 2 | by the speaker of the house of representatives: |
| 3 | (3) One member from an organization of licensed physicians |
| 4 | in the state; |
| 5 | (4) One member who is a physician licensed in Missouri |
| 6 | pursuant to chapter 334; |
| 7 | (5) One member who is a representative of a Missouri |
| 8 | <pre>pharmacy benefit management company;</pre> |
| 9 | (6) One member from an organization representing licensed |
| 10 | pharmacists in the state; |
| 11 | (7) One member from the business community representing |
| 12 | businesses on health insurance issues; |
| 13 | (8) One member from an organization representing the |
| 14 | <u>leading research-based pharmaceutical and biotechnology</u> |
| 15 | <pre>companies;</pre> |
| 16 | (9) One member from an organization representing the |
| 17 | largest generic pharmaceutical trade association; |
| 18 | (10) One patient advocate; |
| 19 | (11) One member from an electronic prescription network |
| 20 | that facilitates the secure electronic exchange of clinical |
| 21 | information between physicians, pharmacies, payers, and pharmacy |
| 22 | benefit managers and other health care providers; |
| 23 | (12) One member from a Missouri-based electronic health |
| 24 | records company; |
| 25 | (13) One member from an organization representing the |
| 26 | largest number of hospitals in the state; |
| 27 | (14) One member from a health carrier as such term is |
| 28 | defined under section 376.1350; |
| 29 | (15) One member from an organization representing the |

- (16) The director of the department of social services, or the director's designee;
- (17) The director of the department of insurance, financial institutions and professional registration, who shall be chair of the committee.
- 3. All of the members, except for the members from the general assembly, shall be appointed by the governor no later than September 1, 2012, with the advice and consent of the senate. The staff of the department of insurance, financial institutions and professional registration shall provide assistance to the committee.
 - 4. The duties of the committee shall be as follows:
- (1) Before February 1, 2019, monitor and report to the general assembly on the Missouri-based electronic prior authorization pilot program created under subsection 5 of this section including a report of the outcomes and best practices developed as a result of the pilot program and how such information can be used to inform the national standard-setting process;
- (2) Obtain specific updates from the NCPDP and other pharmacy benefit managers and vendors that are currently engaged in pilot programs working toward national electronic prior authorization standards:
- (3) Correspond and collaborate with the NCPDP and other such pilots through the exchange of information and ideas;
- (4) Assist, when asked by the pharmacy benefit manager, with the development of the pilot program created under

- subsection 5 of this section with an understanding of information on the success and failures of other pilot programs across the country:
- distributed to the general assembly and governor with a summary of the committee's progress and plans for the next calendar year, including a report on Missouri-based efforts to contribute to the establishment of national electronic prior authorization standards. Such annual report shall continue until such time as the NCPDP has established national electronic prior authorization standards or this section has expired, whichever is sooner. The first report shall be completed before January 1, 2013;
- authorization standards by the NCPDP, prepare a final report to be distributed to the general assembly and governor that identifies the appropriate Missouri administrative regulations, if any, that will need to be promulgated by the department of insurance, financial institutions and professional registration, in order to make those standards effective as soon as practically possible, and advise the general assembly and governor if there are any legislative actions necessary to the furtherance of that end.
- 5. The department of insurance, financial institutions and professional registration and the Missouri electronic prior authorization committee shall recruit a Missouri-based pharmacy benefits manager doing business nationally to volunteer to conduct an electronic prior authorization pilot program in Missouri. The pharmacy benefits manager conducting the pilot program shall ensure that there are adequate Missouri licensed

physicians and an electronic prior authorization vendor capable and willing to participate in a Missouri-based pilot program.

Such pilot program established under this section shall be operational by January 1, 2014. The department and the committee may provide advice or assistance to the pharmacy benefit manager conducting the pilot program but shall not maintain control or lead with the direction of the pilot program.

- 6. Pursuant to section 23.253 of the Missouri sunset act:
- (1) The provisions of the new program authorized under this section shall sunset automatically six years after the effective date of this section unless reauthorized by an act of the general assembly; and
- (2) If such program is reauthorized, the program authorized under this section shall sunset automatically twelve years after the effective date of the reauthorization of this section; and
- (3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset."; and Further amend the title and enacting clause accordingly.

